

United States District Court  
Central District of California

HYDRODYNAMIC INDUSTRIAL  
CO. LTD.,

Plaintiff,

v.

GREEN MAX DISTRIBUTORS,  
INC.,

Defendants.

Case No. 2:12-cv-05058-ODW(JEMx)

**ORDER DENYING JOINT  
STIPULATION [162] AND  
CONTINUING ORDER TO SHOW  
CAUSE [160]**

On June 26, 2014, the parties filed a Joint Stipulation to Enforce the Settlement Agreement. (ECF No. 162.) The parties indicate that certain settlement acts must be completed, including a final payment of settlement funds, before they will file a notice of dismissal. The parties note that the final settlement payment will be completed in September 2015. (*Id.*)

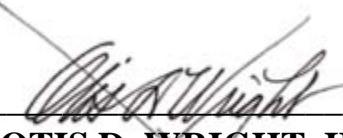
The parties request that this case tarry on the docket for over a year while they finalize their settlement. The Court understands that Hydrodynamic wants to protect its legal rights in case Green Max breaches the settlement agreement. But breach of a settlement agreement gives rise to a separate claim—one distinct from the underlying

1 merits of this action. *See Sharpe v. F.D.I.C.*, 126 F.3d 1147, 1153 (9th Cir. 1997) (“It  
2 is beyond cavil that this failure to perform the express terms of the settlement  
3 agreement is a breach.”). The parties therefore have an adequate, independent remedy  
4 to address any potential breach.

5 The Court **DENIES** the parties’ Joint Stipulation. The Court **ORDERS** the  
6 parties file a settlement report by **Monday, August 28, 2014**. *See* L.R. 16-15.7.  
7 Further, the Court orders the parties to show cause by **Friday, September 5, 2014**,  
8 why settlement has not been finalized. No hearing will be held. The Court will  
9 discharge this order upon filing of a notice of voluntary dismissal or proposed  
10 dismissal order.

11 **IT IS SO ORDERED.**

12  
13 August 21, 2014

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16 OTIS D. WRIGHT, II  
17 UNITED STATES DISTRICT JUDGE  
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